

THETIS ISLAND COMMUNITY ASSOCIATION
Compiled Financial Information
Year Ended December 31, 2023

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Year Ended December 31, 2023

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COMPILATION ENGAGEMENT REPORT

To the Management of Thetis Island Community Association

On the basis of information provided by management, we have compiled the statement of financial position of Thetis Island Community Association as at December 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Duncan, British Columbia
April 15, 2024

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THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Financial Position
December 31, 2023

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2023	2022
ASSETS							
CURRENT							
Cash	\$ 191,514	\$ -	\$ -	\$ -	\$ -	\$ 191,514	\$ 30,660
Term deposits	-	-	-	-	-	-	68,623
Accounts receivable	2,341	-	-	-	-	2,341	2,474
Inventory	7,801	-	-	-	-	7,801	5,990
Due from related parties	-	-	-	-	-	-	267,314
	201,656	-	-	-	-	201,656	375,061
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 4)	-	2,229,677	-	-	-	2,229,677	2,271,873
	\$ 201,656	\$ 2,229,677	\$ -	\$ -	\$ -	\$ 2,431,333	\$ 2,646,934
LIABILITIES AND NET ASSETS							
CURRENT							
Accounts payable	\$ 2,263	\$ -	\$ -	\$ -	\$ -	\$ 2,263	\$ 2,156
Current portion of long term debt (Note 5)	310,000	-	-	-	-	310,000	-
Interest payable	3,113	-	-	-	-	3,113	3,100
Due to related parties	-	-	-	-	-	-	267,314
	315,376	-	-	-	-	315,376	272,570
LONG TERM DEBT (Note 5)	-	-	-	-	-	-	310,000
	315,376	-	-	-	-	315,376	582,570
NET ASSETS (DEBT)	(113,720)	2,229,677	-	-	-	2,115,957	2,064,364
	\$ 201,656	\$ 2,229,677	\$ -	\$ -	\$ -	\$ 2,431,333	\$ 2,646,934
ON BEHALF OF THE BOARD							
	_____ Director					_____ Director	

The accompanying notes form an integral part of the financial information

THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2023	2022
RECEIPTS							
Membership dues	\$ 20,451	\$ -	\$ -	\$ -	\$ -	\$ 20,451	\$ 18,886
Fundraising	95	-	2,553	13,473	17,326	33,447	17,250
Donations	58,747	-	-	-	66,475	125,222	109,319
Government funding	7,500	-	-	-	-	7,500	29,586
Hall rentals and user contributions	16,971	-	-	-	-	16,971	11,926
Quarterly newsletter	6,971	-	-	-	-	6,971	2,375
Interest	-	-	-	-	1,931	1,931	242
	110,735	-	2,553	13,473	85,732	212,493	189,584
DIRECT COSTS							
	-	-	-	-	8,016	8,016	1,720
GROSS PROFIT	110,735	-	2,553	13,473	77,716	204,477	187,864
EXPENSES							
Amortization	-	98,212	-	-	-	98,212	97,826
Donations	459	-	-	-	-	459	325
Insurance	5,883	-	-	-	-	5,883	4,863
Interest and bank charges	41	-	-	-	-	41	16
Interest on long term debt	-	-	-	-	3,163	3,163	3,150
Accounting and legal	3,606	-	-	-	-	3,606	3,277
Office and sundry	5,370	-	-	-	411	5,781	5,588
Program expenses	-	-	1,641	3,005	-	4,646	5,793
Repairs and maintenance	17,594	-	-	-	-	17,594	5,372
Supplies	2,687	-	-	-	-	2,687	391
Telephone and utilities	10,812	-	-	-	-	10,812	8,007
	46,452	98,212	1,641	3,005	3,574	152,884	134,608
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENSES	\$ 64,283	\$ (98,212)	\$ 912	\$ 10,468	\$ 74,142	\$ 51,593	\$ 53,256

The accompanying notes form an integral part of the financial information

THETIS ISLAND COMMUNITY ASSOCIATION
Statement of Changes in Net Assets
Year Ended December 31, 2023

	Operating Fund	Property and Equipment Fund	Library Fund	Soup's on Fund	Hall Expansion Fund	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 17,716	\$ 2,271,873	\$ 4,686	\$ 8,240	\$ (238,151)	\$ 2,064,364	\$ 2,011,108
Excess of receipts over expenses	64,283	(98,212)	912	10,468	74,142	51,593	53,256
Capital purchases	(56,016)	56,016	-	-	-	-	-
Consolidation of funds	(139,703)	-	(5,598)	(18,708)	164,009	-	-
NET ASSETS - END OF YEAR	\$ (113,720)	\$ 2,229,677	\$ -	\$ -	\$ -	\$ 2,115,957	\$ 2,064,364

The accompanying notes form an integral part of the financial information
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THETIS ISLAND COMMUNITY ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of receipts over expenses	\$ 51,593	\$ 53,256
Item not affecting cash:		
Amortization of property, plant and equipment	98,212	97,826
	149,805	151,082
Changes in non-cash working capital:		
Accounts receivable	132	6,876
Inventory	(1,811)	(5,990)
Accounts payable	108	(33)
Interest payable	13	-
	(1,558)	853
Cash flow from operating activities	148,247	151,935
INVESTING ACTIVITY		
Purchase of property, plant and equipment	(56,016)	(67,794)
Cash flow used by investing activity	(56,016)	(67,794)
FINANCING ACTIVITY		
Repayment of long term debt	-	(25,000)
Cash flow from (used by) financing activity	-	(25,000)
INCREASE IN CASH FLOW	92,231	59,141
Cash - beginning of year	99,283	40,142
CASH - END OF YEAR	\$ 191,514	\$ 99,283
CASH CONSISTS OF:		
Cash	\$ 191,514	\$ 30,660
Term deposits	-	68,623
	\$ 191,514	\$ 99,283

The accompanying notes form an integral part of the financial information

THETIS ISLAND COMMUNITY ASSOCIATION

Notes to Compiled Financial Information

Year Ended December 31, 2023

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Thetis Island Community Association as at December 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable ;
 - inventory valued at at cost;
 - property, plant and equipment are amortized over their useful lives;
 - Accounts payable and accrued liabilities
-

2. PURPOSE OF ASSOCIATION

The Thetis Island Community Association was established to maintain and make available facilities for the use and enjoyment of all residents of the Thetis Island community, including: community hall, sports and picnic facilities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Revenue and expenditures are reported on the accrual basis of accounting. Under the accrual basis of accounting, revenue are recognized as they become available and are measurable. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. Expenditures are recognized as they are incurred upon receipt of goods and services.

Contributed services

Volunteers have contributed significant time to assist the Association in carrying out its programs and activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Property and equipment

Property and equipment are stated at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization has not been recorded to date.

Land		non-amortizable
Land improvements	8%	declining balance method
Buildings	4%	declining balance method
Computer equipment	45%	declining balance method
Furniture and fixtures	20%	declining balance method

The Association regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

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Notes to Compiled Financial Information
Year Ended December 31, 2023

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Land improvements	195,610	26,615	168,995	129,256
Buildings	2,213,011	208,861	2,004,150	2,083,432
Computer equipment	3,218	2,168	1,050	2,333
Furniture and fixtures	5,482	-	5,482	6,852
	\$ 2,467,321	\$ 237,644	\$ 2,229,677	\$ 2,271,873

The Association recorded amortization of \$98,212 in the current year (2022 - \$97,826).

5. LONG TERM DEBT

	2023	2022
Two \$50,000 loans from local supporters of the Association bearing interest at 0.0% per annum, no monthly payments required. The loans mature on January 1, 2024, and are secured by promissory notes.	\$ 100,000	\$ 100,000
Three \$50,000 loans from local supporters bearing interest at 2% per annum, no monthly payments required. The loans mature on January 1, 2024, and are secured by promissory notes.	150,000	150,000
Five \$10,000 loans and one \$25,000 loan from local supporters bearing interest at 0% per annum, no monthly repayments required. During 2022 the \$25,000 loan was forgiven as a donation by the original lender. The remaining loans mature on April 1, 2024, and are secured by promissory notes. The loans are subordinate to future bank loans and to the \$50,000 local lender loans.	50,000	50,000
One \$10,000 loan from a local supporter bearing interest at 1.5% per annum, no monthly payments required. The loan matures on April 1, 2024, and is secured by a promissory note. The loan is subordinate to future bank loans and to the \$50,000 local lender loans.	10,000	10,000
	310,000	310,000
Amounts payable within one year	(310,000)	-
	\$ -	\$ 310,000

THETIS ISLAND COMMUNITY ASSOCIATION
Notes to Compiled Financial Information
Year Ended December 31, 2023

6. RELATED PARTY TRANSACTIONS

The Association has hired Ravenscall Enterprises Ltd. for several maintenance projects during the year. This company is owned by one of the directors. The Association has only paid for out of pocket expenses incurred by Ravenscall Enterprises Ltd. and all the labour supplied by the director has been donated. At December 31, 2023, there was no balance owing. Amounts paid to the related party for supplies and maintenance totaled \$685 and \$589 including applicable taxes for the years ending December 31, 2023 and 2022, respectively. The Association also reimbursed Ravenscall for \$2,270 and \$1,473 in materials for construction during the years ending December 31, 2023 and 2022, respectively.
